

SENATE BILL 313

By Gilmore

AN ACT to amend Tennessee Code Annotated, Title 13
and Title 66, relative to residential rental property.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 7, is amended by adding
the following as a new section:

(a) As used in this section:

(1) "Application fee" means a sum of money that is given to the landlord
to offset the costs of screening an applicant for acceptance as a tenant;

(2) "Applicant" means an individual who makes an application to a
landlord for rental of a dwelling unit;

(3) "Dwelling unit" means a structure or the part of a structure that is
used as a home, residence, or sleeping place by one (1) person who maintains a
household or by two (2) or more persons who maintain a common household;

(4) "Landlord" means a prospective landlord to whom an individual
makes application for rental of a dwelling unit; and

(5) "Rental application" means a written request made by an applicant to
a landlord to rent a dwelling unit from the landlord.

(b)

(1) At the time an applicant is provided with a rental application, the
landlord shall provide the applicant with written notice of the landlord's tenant
selection criteria and the grounds for which the rental application may be denied,
including, but not limited to, the applicant's:

(A) Criminal history;

- (B) Previous rental history;
- (C) Current income;
- (D) Credit history;
- (E) Failure to provide accurate or complete information on the application form; and
- (F) Ownership of certain pets.

(c)

(1) An applicant shall sign an acknowledgment indicating that the landlord provided the written notice described in subsection (b) to the applicant. If an acknowledgment is not signed, then there is a rebuttable presumption that the landlord did not provide the written notice to the applicant.

(2) The acknowledgment must include a statement substantively equivalent to the following:

Signing this acknowledgment indicates that you have had the opportunity to review the landlord's tenant selection criteria. The tenant selection criteria may include factors such as criminal history, credit history, current income, and rental history. If you do not meet the selection criteria, or if you provide inaccurate or incomplete information, your application may be rejected and your application fee will not be refunded.

(3) The acknowledgment may be part of the rental application if the notice is underlined or in bold print.

(d)

(1) If a landlord denies an applicant and the landlord has not provided the written notice required by subsection (b), then the landlord shall return the applicant's application fee, security deposit, and any other fee or deposit.

(2) If an applicant requests a landlord to mail a refund that is owed pursuant to subdivision (d)(1) of the applicant's application fee, security deposit, and other fee or deposit to the applicant, then the landlord shall mail the refund check to the applicant, at no cost to the applicant, at the address furnished by the applicant.

SECTION 2. Tennessee Code Annotated, Title 66, Chapter 28, Part 3, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Application fee" means a sum of money that is given to the landlord to offset the costs of screening an applicant for acceptance as a tenant;

(2) "Applicant" means an individual who makes an application to a landlord for rental of a dwelling unit; and

(3) "Rental application" means a written request made by an applicant to a landlord to rent a dwelling unit from the landlord.

(b)

(1) At the time an applicant is provided with a rental application, the landlord shall provide the applicant with written notice of the landlord's tenant selection criteria and the grounds for which the rental application may be denied, including, but not limited to, the applicant's:

(A) Criminal history;

(B) Previous rental history;

(C) Current income;

(D) Credit history;

(E) Failure to provide accurate or complete information on the application form; and

(F) Ownership of certain pets.

(c)

(1) An applicant shall sign an acknowledgment indicating that the landlord provided the written notice described in subsection (b) to the applicant. If an acknowledgment is not signed, then there is a rebuttable presumption that the landlord did not provide the written notice to the applicant.

(2) The acknowledgment must include a statement substantively equivalent to the following:

Signing this acknowledgment indicates that you have had the opportunity to review the landlord's tenant selection criteria. The tenant selection criteria may include factors such as criminal history, credit history, current income, and rental history. If you do not meet the selection criteria, or if you provide inaccurate or incomplete information, your application may be rejected and your application fee will not be refunded.

(3) The acknowledgment may be part of the rental application if the notice is underlined or in bold print.

(d)

(1) If a landlord denies an applicant and the landlord has not provided the written notice required by subsection (b), then the landlord shall return the applicant's application fee, security deposit, and any other fee or deposit.

(2) If an applicant requests a landlord to mail a refund that is owed pursuant to subdivision (d)(1) of the applicant's application fee, security deposit, and other fee or deposit to the applicant, then the landlord shall mail the refund check to the applicant, at no cost to the applicant, at the address furnished by the applicant.

SECTION 3. This act takes effect July 1, 2021, the public welfare requiring it, and applies to rental applications entered into on or after that date.